

83-00699

SUBJECT: IR&D and B&P Costs

Congressional action on the FY 1983 Defense Appropriations Continuation Bill includes a major change to the way DOD handles Independent Research and Development (IR&D), and Bid and Proposal (B&P) costs. The Conference Report

STATording is shown below:

"The Conferees share the concern expressed by the House over visibility and accountability of Independent Research and Development (R&D) and Bid and Proposal (B&P) costs. The House directed, as a result of those concerns, that IR&D and B&P be carried as line items in the budget starting with the fiscal year 1984 budget. The Department has stated that, because of the time element, implementation of this directive will work hardship. The Conferees therefore modify the House Directive as follows: (1) The Department is directed to submit not later than April 1, 1983, an annex to the fiscal year 1984 budget which proposed the total ceilings for fiscal year 1984 for negotiated IR&D costs and for negotiated B&P costs, by service. The Committee on Appropriations will review and approve or modify the proposed ceilings. The Department will subsequently ensure that the sum totals of negotiated IR&D and B&P costs remain within the Committee approved ceilings. (2) The Department is directed to begin carrying IR&D and B&P costs as line items in the fiscal year 1985 budget, provided that hearings do not show conclusively that line item budgeting will be counterproductive."

Delayed
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74-85

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House Report No. 97-980 - p139; see p. 37 for main provision